Transportation

Annual Report
2012-2013

Alberta

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Preface

Public Accounts 2012-13

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 18 ministries.

The annual report of the Government of Alberta contains ministers' accountability statements, the consolidated financial statements of the Province and *Measuring Up* report, which compares actual performance results to desired results set out in the government's strategic plan.

On May 8, 2012, the government announced new ministry structures. The 2012-13 ministry annual reports and financial statements have been prepared based on the new ministry structure.

This annual report of the Ministry of Transportation contains the Minister's accountability statement, the audited financial statements of the Ministry and a comparison of actual performance results to desired results set out in the Ministry business plan. This Ministry annual report also includes:

- **the financial statements of entities making up the Ministry including the Department of Transportation, and the Alberta Transportation Safety Board for which the Minister is responsible;**
- **other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the Ministry has anything to report.**

Minister's Accountability Statement

The Ministry's annual report for the year ended March 31, 2013, was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at June 14, 2013 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

Original signed by

Honourable Ric McIver
Minister of Transportation

Message from the Minister

Albertans depend on our transportation network to get them to work and school on time, to get them home safely, and to get products to and from market. In 2012-13, the Ministry made significant strides in Building Alberta by delivering a strong transportation system to meet Albertans' needs today and support a vibrant and prosperous future.

Supporting a Growing Economy and Social Connectivity

An effective provincial highway network helps advance Alberta's economic opportunities and enhance quality of life for families and communities. To this end, the Ministry continued to invest in ongoing progress on the Edmonton and Calgary ring roads, the paving and expansion of more than 950 kilometres of highway, major bridge replacement projects, and the further development of valuable access routes and corridors. These enhancements support the flow of high-volume and high-value commodities and services to, from, and within the Province, linking us globally to world marketplaces. This included progress on twinning Highway 43, part of the CANAMEX Trade Corridor that runs from Mexico through Alberta to Alaska.

At the direction of Premier Redford, Fort McMurray-Wood Buffalo MLA, Mike Allen, was appointed Special Advisor on Highway 63 and directed to provide specific recommendations to the Minister and Premier. The recommendations were provided in the *Towards a Safer 63* report which called for a multi-faceted solution including accelerated twinning, education, and enforcement working together. To meet our government's commitment to twinning Highway 63 from Grassland to Fort McMurray by the fall of 2016, the Ministry opened 36 kilometres of new four-lane divided highway north of Wandering River nearly nine months ahead of schedule, and accelerated other twinning-related construction work.

Making Safer Roads to Help Save Lives

In addition to ongoing awareness and education programs as part of the Alberta Traffic Safety Plan, the Ministry developed and launched a new traveller information service, *5-1-1 Alberta's Official Road Reports*. This multi-platform portal provides up-to-date information on road conditions and other information through a dedicated website and telephone service, allowing Albertans to better plan their trips, which will enhance safety on Alberta's highways.

Other successes this year were the introduction of stronger penalties for impaired driving and increased awareness activities related to distracted driving. The new impaired driving legislation, brought into effect in July and September 2012, included stronger consequences to discourage this behavior and encourage greater personal responsibility when driving. Our "Crotches Kill" advertising drove home the message that using your smartphone on your lap takes your eyes, and your attention, away from the road and can have deadly consequences. We will continue to work with our traffic safety partners to promote safe driving behaviours through education, training, and awareness campaigns in addition to enforcement activities to help make sure that Albertans make it home safely.

Laying the Foundation for Economic Opportunities and Enhanced Quality of Life

The Ministry continued its work on the development of a long-term multi-modal Transportation Strategy for Albertans. Encompassing road, rail, air, port, and public and active transportation, the Strategy will advance a direction for transportation investments, policies, and programs to support Alberta's long-term needs.

Through municipal grant programs, the Ministry, and government, support local transportation infrastructure priorities, a key to economic growth and improved mobility for Alberta's communities. This funding support included $167.8 million for water and wastewater treatment facilities throughout the Province and $970 million committed for light rail transit networks in Edmonton and Calgary.

Like every year, our three-year construction program – which lists priority projects throughout the Province – is posted online at www.transportation.alberta.ca.

Our government's Building Alberta Plan invests in families and communities, ensures we live within our means, and builds new markets for all our resources. The Ministry of Transportation is putting the Building Alberta Plan into action by building and maintaining an effective, efficient transportation system that meets Albertans' needs today and for the future. In the coming years we will focus on protecting our valuable investments in infrastructure; smart spending and innovation; connecting Alberta to international markets, and increasing safety on our provincial highways. These actions will help secure economic prosperity and to further enhance the quality of life for all Albertans.

Original signed by

Honourable Ric McIver
Minister of Transportation
June 14, 2013

Management's Responsibility for Reporting

The Ministry of Transportation includes the Department of Transportation and the Alberta Transportation Safety Board.

The executives of the individual entities within the Ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the Ministry complies with all relevant legislation, regulations, and policies.

Ministry business plans, annual reports, performance results, and the supporting management information are integral to the government's fiscal and strategic plan, annual report, quarterly reports, and other financial and performance reporting.

Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the Ministry rests with the Minister of Transportation. Under the direction of the Minister, I oversee the preparation of the Ministry's annual report, including consolidated financial statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The consolidated financial statements are prepared in accordance with Canadian public sector accounting standards. The performance measures are prepared in accordance with the following criteria:

- **Reliability** – information used in applying performance measure methodologies agrees with underlying source data for the current and prior years' results.
- **Understandability** – the performance measure methodologies and results are presented clearly.
- **Comparability** – the methodologies for performance measure preparation are applied consistently for the current and prior years' results.
- **Completeness** – goals, performance measures, and related targets match those included in the Ministry's Budget 2012.

As Deputy Minister, in addition to program responsibilities, I am responsible for the Ministry's financial administration and reporting functions. The Ministry maintains systems of financial management and internal control which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the Province under Ministry administration;
- provide Executive Council, the President of Treasury Board and Minister of Finance, and the Minister of Transportation information needed to fulfill their responsibilities; and
- facilitate preparation of Ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling my responsibilities for the Ministry, I have relied, as necessary, on the executives of the individual entities within the Ministry.

Original signed by

Rob Penny
Deputy Minister of Transportation
June 14, 2013

RESULTS ANALYSIS

MINISTRY OVERVIEW

Our Mandate

The Ministry consists of the Department of Transportation and the Alberta Transportation Safety Board which is an independent, quasi-judicial body.

The Department's key responsibilities are to:

- Lead the planning, construction, and preservation of our provincial highway network to connect Alberta's communities, and to support the Province's economic and social growth.
- Lead the Alberta Traffic Safety Plan and Traffic Safety Services to reduce collisions and promote safe drivers, vehicles, and roads.
- Manage provincial and federal grant programs to help municipalities develop and preserve their transportation systems and other priority infrastructure for Albertans.
- Design, construct, and maintain Alberta's water management infrastructure on behalf of Environment and Sustainable Resource Development.
- Promote Alberta's interests in a safe, innovative, and sustainable world-class transportation system at all levels of government, national and international trade agreements, and regulatory harmonization.

The Alberta Transportation Safety Board's key responsibilities are to:

- Conduct driver review hearings and independent appeals of driver, vehicle, and safety decisions from the Registrar's Office in accordance with the principles of natural justice.
- Conduct hearings under the *Railway (Alberta) Act*.

All decisions of the Alberta Transportation Safety Board are made independently in accordance with governing legislation: the *Traffic Safety Act* and the *Railway (Alberta) Act*.

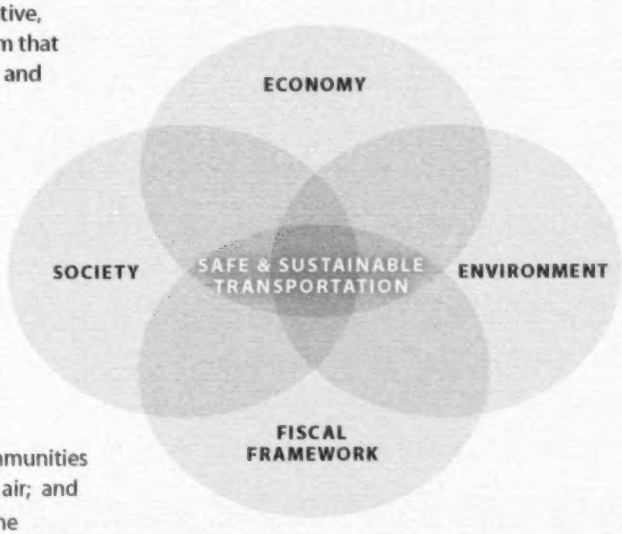
Transportation for Albertans

Moving people, commodities and services, and information to support the economy, society, and environment

The Ministry's mission is to provide a safe, innovative, and sustainable world-class transportation system that supports a strong economy, a high quality of life, and a healthy environment for all Albertans.

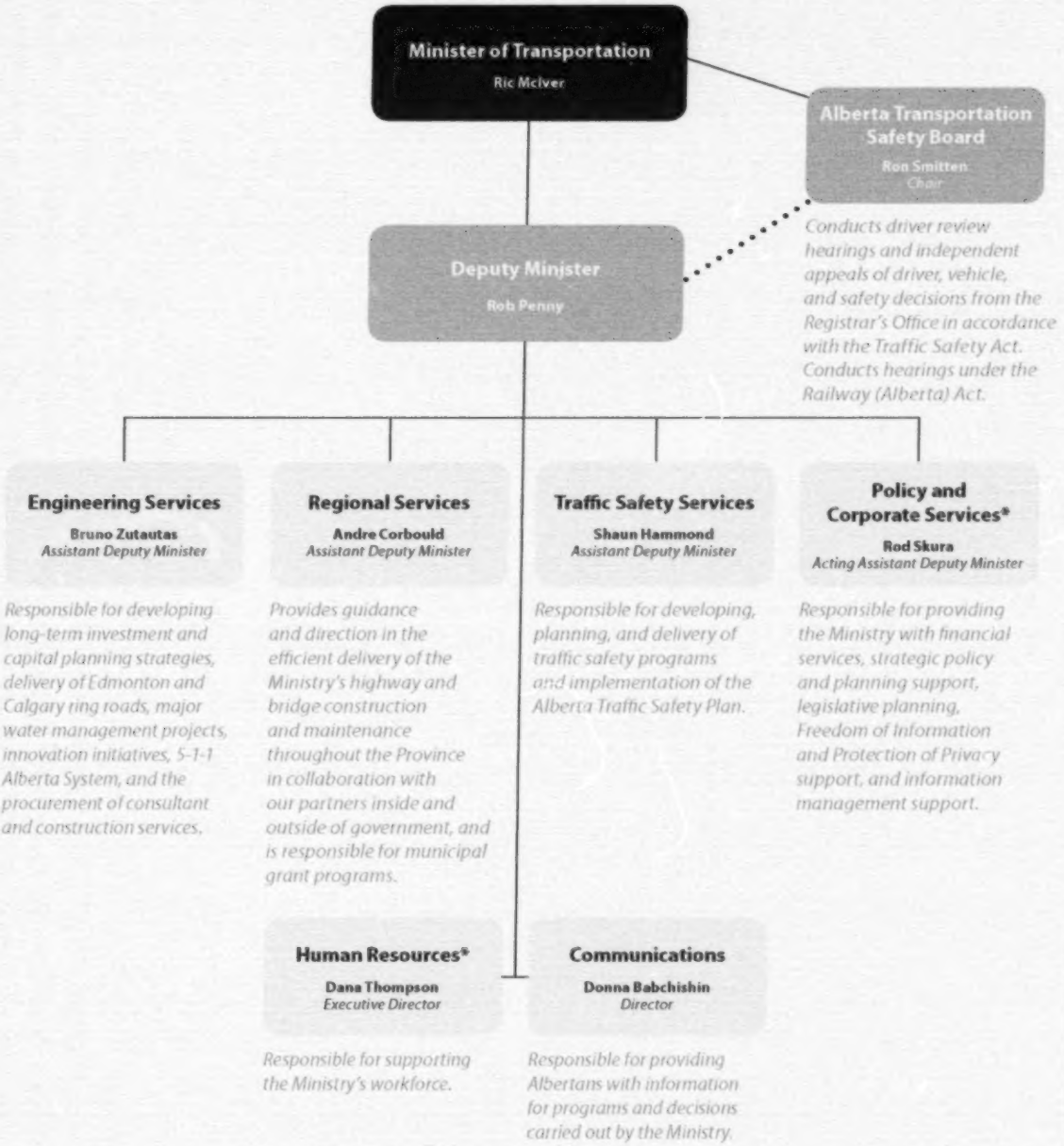
The Ministry plans, develops, and preserves a transportation system that supports Alberta's:

- **Economy:** connects Albertans to worldwide markets, and enables investment, business, industry, agriculture, tourism, and job creation;
- **Society:** connects Albertans to their families, friends, work, schools, health care, recreation, and communities across the Province, and promotes the safety of drivers, vehicles, and roads;
- **Environment:** supports quality of life in our communities by minimizing its impact on our land, water, and air; and
- **Fiscal Framework:** must be world-class and at the same time affordable .



Organizational Overview

Ministry of Transportation Organization as of June 2013


Minister of Transportation
Ric McIver
Alberta Transportation Safety Board
Ron Smitten
Chair
Conducts driver review hearings and independent appeals of driver, vehicle, and safety decisions from the Registrar's Office in accordance with the Traffic Safety Act. Conducts hearings under the Railway (Alberta) Act.
Deputy Minister
Rob Penny
Engineering Services
Bruno Zutautas
Assistant Deputy Minister
Responsible for developing long-term investment and capital planning strategies, delivery of Edmonton and Calgary ring roads, major water management projects, innovation initiatives, 5-1-1 Alberta System, and the procurement of consultant and construction services.
Regional Services
Andre Corbould
Assistant Deputy Minister
Provides guidance and direction in the efficient delivery of the Ministry's highway and bridge construction and maintenance throughout the Province in collaboration with our partners inside and outside of government, and is responsible for municipal grant programs.
Traffic Safety Services
Shaun Hammond
Assistant Deputy Minister
Responsible for developing, planning, and delivery of traffic safety programs and implementation of the Alberta Traffic Safety Plan.
Policy and Corporate Services*
Rod Skura
Acting Assistant Deputy Minister
Responsible for providing the Ministry with financial services, strategic policy and planning support, legislative planning, Freedom of Information and Protection of Privacy support, and information management support.
Human Resources*
Dana Thompson
Executive Director
Responsible for supporting the Ministry's workforce.
Communications
Donna Babchishin
Director
Responsible for providing Albertans with information for programs and decisions carried out by the Ministry.

* Policy and Corporate Services and Human Resources are shared services with the Ministry of Infrastructure.

Our Year at a Glance

Looking back on the past year, Alberta Transportation undertook a number of key projects and innovations. These projects and sustained traffic safety strategies continue to improve the efficiency and connectivity of the transportation system for Albertans.

April 2012

Starting off the spring construction season, preparation for pavement overlay was underway on Highway 3 east of Lethbridge, which began what was to reach more than 950 kilometres of numerous highway rehabilitation, widening, and reconstruction major projects completed across the Province this year.

May 2012

Fort McMurray-Wood Buffalo MLA Mike Allen was appointed Special Advisor for Highway 63 to provide options to enhance safety and accelerate twinning on Highway 63 through a report to the Minister of Transportation. Initiatives included a timeline for completing twinning, and also highlighted the addition of education and enforcement for a comprehensive solution.

June 2012

A momentous step in moving toward completion of the Edmonton ring road was made as the Design/Build/Finance/Operate agreement was signed, for the final northeast segment of Anthony Henday Drive, with construction commencing in June. The ring road will provide a safe transportation network by alleviating heavy goods and services traffic within the city's core, and enhance mobility, and advance economic growth for Albertans. On June 29th the "Towards a Safer 63" report was released.

July 2012

Beginning July 1, tougher impaired driving penalties came into effect to support safer roads for Albertans. Drivers with blood alcohol concentrations more than .08 and new (graduated driver's license) drivers that consume any alcohol and drive now face stronger penalties. The Ministry further enhanced traffic safety through a public education and awareness campaign about the strengthened impaired driving law.

August 2012

Accelerated construction started on Highway 63 to improve safety and better accommodate oversize loads. Construction of two new passing lanes and extensions to six existing passing lanes between House River and the junction with Highway 881 will be added, providing motorists with more safe passing opportunities on Highway 63.

September 2012

Phase two of the Provincial Strategy to Reduce Impaired Driving was implemented on September 1, as tougher consequences at the .05 to .08 blood alcohol concentration level were put into effect to discourage impaired driving.

October 2012

36 kilometres of new four-lane divided highway opened north of Wandering River on Highway 63, almost nine months ahead of schedule. Motorists now have more free-flow travel and safe passing opportunities resulting in enhanced safety, lower congestion, and shorter travel times for this strategic corridor, which also supports the sustained growth and long-term development for the region that makes an essential contribution to Alberta's economic success. In response to the "Towards a Safer 63" report an accelerated twinning timeline was announced to achieve a completely divided four-lane roadway between Grassland and Fort McMurray by fall 2016.

November 2012

Starting November 7, motorists had access to even smoother travel from Highway 63 to adjoining destinations in Fort McMurray, as the new Confederation Way interchange opened to traffic. While helping to keep Albertans safe on this heavily-used roadway, the improvement in traffic flow also supports the growing region and boosts the long-term productivity of Alberta's economy.

December 2012

Calgary's West Light Rail Transit line opened, funded in part from the Green Transit Incentives Program (GreenTRIP). With other government funding Alberta provided $1.3 billion of the $1.4 billion needed to construct this line.

January 2013

A partnership contract was signed with the Sturgeon Lake Cree First Nation enabling construction to move forward to complete Highway 43 twinning by fall 2014. This new 20 kilometre, four-lane stretch achieves a fully twinned North South Trade Corridor between Grande Prairie and the Alberta-Montana border at Coutts.

February 2013

5-1-1 Alberta's Official Road Reports Program was launched for Albertans, providing fast, simple access to the most reliable, up-to-date traveller information available. Adopting innovative information transmission procedures and dissemination tools to reach users, this free service provides valuable assistance to travellers for planning safer trips across the Province.

March 2013

Continuing to partner with municipalities to develop practical infrastructure solutions, the GreenTRIP program assisted with a funding commitment to expand the transit network between Leduc, the Edmonton International Airport, and Edmonton. By offering more public transit options, Albertans have improved access to low-cost, viable, and environmentally beneficial travel opportunities.

Review Engagement Report

AUDITOR GENERAL *Alberta*

To the Members of the Legislative Assembly

I have reviewed the performance measures identified as reviewed by the Office of the Auditor General in the Ministry of Transportation's Annual Report 2012-2013. The reviewed performance measures are the responsibility of the ministry and are prepared based on the following criteria:

- Reliability – The information used in applying performance measure methodologies agrees with underlying source data for the current and prior years' results.
- Understandability – The performance measure methodologies and results are presented clearly.
- Comparability – The methodologies for performance measure preparation are applied consistently for the current and prior years' results.
- Completeness – The goals, performance measures and related targets match those included in the ministry's budget 2012.

My review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by the ministry.

A review does not constitute an audit and, consequently, I do not express an audit opinion on the performance measures. Further, my review was not designed to assess the relevance and sufficiency of the reviewed performance measures in demonstrating ministry progress towards the related goals.

Based on my review, nothing has come to my attention that causes me to believe that the performance measures identified as reviewed by Office of the Auditor General in the ministry's annual report 2012-2013 are not, in all material respects, presented in accordance with the criteria of reliability, understandability, comparability and completeness as described above.

[Original signed by Merwan N. Saher, FCA]

Auditor General

May 31, 2013

Edmonton, Alberta

Performance measures reviewed by the Office of the Auditor General are noted with an asterisk (*) on the Performance Measures Summary Table.

PERFORMANCE MEASURES SUMMARY TABLE

Goals and Performance Measures		Prior Year's Results				Target	Current Actual
		2008-09	2009-10	2010-11	2011-12	2012-13	2012-13
Goal 1: *Alberta's provincial highway network connects communities and supports economic and social growth*							
Measure 1.a: Physical condition of provincial highways.* ¥	Good	58.6%	58.1%	58.4%	58.6%	56.5%	58.4%
	Fair	26.3%	26.8%	26.7%	26.8%	27.5%	26.4%
	Poor	15.1%	15.1%	14.9%	14.6%	16.0%	15.2%
Goal 2: *Alberta has the safest road system in Canada*							
Measure 2.a: Combined fatal and major injury collision rate per 100,000 population.		88.8	80.8	75.3	70.5	69.7	68.6
Goal 3: *Alberta has a well-connected road-rail-air-port transportation system that supports economic opportunities and the quality of life in all communities*							
Measure 3.a: Client Satisfaction Survey: Percentage of municipal clients satisfied with overall quality of service.* ‡		N/A	95.0%	N/A	N/A	> 95.0%	93.0%

For more detailed information see Performance Measures Methodology section in Appendix A.

* Indicates Performance Measures that have been reviewed by the Office of the Auditor General. The performance measures indicated with an asterisk were selected for review by Ministry management based on the following criteria established by government:
  - Enduring measures that best represent the goal,
  - Measures for which new data is available, and
  - Measures that have well established methodology.

¥ Indicates Performance Measures that are included in *Measuring Up 2012-13* report under goal 5.

‡ Client Satisfaction Survey is completed every two years. As stated in the 2011-14 Business Plan, there was no target for 2011-12. Source: 2012-13 Client Satisfaction Survey.

DISCUSSION AND ANALYSIS OF RESULTS

Securing Economic Growth and Albertans' Connectivity Through the Development and Preservation of the Provincial Highway Network

Goal One: Alberta's provincial highway network connects communities and supports economic and social growth

The Ministry continues to strengthen Alberta's highway network through the funding and development of transportation infrastructure to ensure smooth travel throughout the Province. Alberta's transportation network was improved during 2012-13 by:

- Continued construction of the Calgary and Edmonton ring roads;
- Accelerated construction on Highway 63 and a commitment to completing the twinning from Grassland to Fort McMurray by Fall 2016;
- Further development of economic trade corridors;
- Strategic investment in highways and bridges; and
- The adoption of innovative technologies.

These achievements enable Albertans to get to where they need to go on time, to get our products to market effectively, and to get home safely.

Our provincial highway network continues to be a strategic support for Alberta's economic and social growth by enabling Albertans to connect to a world of opportunities and achieve valuable links to regional and global markets. With this year's progress in planning, design, construction, and preservation, the Ministry continued its priority to strengthen and enhance the effectiveness of Alberta's network of roads and highways.

Expanding strategic routes to advance Albertans' ability to connect with each other and to economic opportunities

During the year, the Ministry will continue development of the Calgary and Edmonton ring roads. These roadways improve the way Albertans connect to the regions and their surrounding communities by providing the advantage of free-flow travel, reducing traffic congestion and commute times, while benefiting industry that also travels the freeways as a crucial route.

In June of 2012 construction commenced on the Northeast segment of Anthony Henday Drive, with in-stream work on the North Saskatchewan River bridge beginning in August 2012. The public-private partnership (P3) contract is worth $1.81 billion in 2012 dollars. Using Alberta's innovative P3 delivery model rather than traditional delivery results in significant cost savings for the project. Achieving the long-range vision of the Edmonton ring road project, this final leg is scheduled to open to traffic in October 2016. Design and construction also continued on all fronts including bridge and roadway work on the Southeast Stoney Trail section of the Calgary ring road, with availability to traffic scheduled for October 2013. The P3 contract is worth $769 million in 2010 dollars. Construction moved forward on the Nose Hill Drive interchange on the Northwest section of Stoney Trail, which will result in the removal of its final at-grade intersection.

Each day more than 45,000 Albertans use the Edmonton Anthony Henday Drive ring road while more than 30,000 travel Calgary's Stoney Trail.

The Ministry continued to invest in strategic trade corridors that are essential in providing connections to economic activity at local, regional, provincial, national, and international marketplaces. A contract for the twinning of 20 kilometres of Highway 43 west of the Sturgeon Lake First Nation community was signed. This is part of the key North South Trade Corridor, which is part of the CANAMEX Corridor

that spans 6,000 kilometres from Alaska to Grande Prairie to the Alberta-Montana border at Coutts and running through the United States, reaching onward to Mexico. Linking globally, the North South Trade Corridor improves access for the north-south flow of goods, people, and information; increases transport productivity and reduces transport costs; and promotes a seamless and efficient intermodal transportation system. When finished, this will provide 432 kilometres of fully twinned and divided roadway from Grande Prairie to the junction of Highway 16, west of Edmonton.

Promoting efficient movement and increased safety on provincial highways

As part of the Province's strong commitment to Albertans' safety and for development in the Wood Buffalo region, construction accelerated this year on Highway 63 as 36 kilometres of new four-lane divided highway north of Wandering River were opened to traffic in October 2012, giving motorists more free-flow travel and safe passing opportunities. This $84 million project was completed approximately nine months ahead of schedule. The Ministry undertook even more actions during this year to improve safety for Albertans on this important highway, encompassing additional signage, installation of digital speed signs, and further education through advertising and social media. This heavily-used corridor is an essential part of the economic future of Alberta as it contributes to the sustained growth and long-term economic development of the Wood Buffalo region. Highway 63 is part of the Northeast Alberta Trade Corridor, which enables movement of goods from the Athabasca oil sands. Also in October 2012, a further investment commitment for Highway 63 was announced to launch an overall accelerated twinning timeline that will allow travel on a 240 kilometre completely divided four-lane roadway between Grassland and Fort McMurray by the fall of 2016.

The twinning of the 36 kilometre section of Highway 63 near Wandering River required 770,000 tonnes of gravel, 260,000 tonnes of asphalt, 15 utility crossings, 3 bridge size culverts, a 30,770 square metre safety rest area, 282 new signs, 980,000 cubic metres of muskeg removal, while also working within a Caribou Protection Zone.

An additional advancement in the landscape was the new Confederation Way interchange that was opened to traffic in November 2012, giving motorists access to adjacent residential areas in Fort McMurray. Construction along the Thickwood Boulevard interchange continues, with work comprised of widening Highway 63 to six lanes between the two interchanges, building service roads, completing ramps, and constructing retaining walls, which will be completed by fall 2013. The $220 million spent on these interchanges supports long-term growth and will ease congestion and improve travel times in the region.

Securing Albertans' investment through strategic development and preservation

The provincial highway network was strengthened through strategic placement and smart investment in major projects that ensured that the best value is provided to Albertans. The Ministry continued to develop and enhance the highway network with improvements that help Albertans' safely reach their destination and support Alberta's economic prosperity.

Approximately 950 kilometres of highway was paved this year, as numerous major projects were completed across the Province, including Highway 2 near Aldersyde and Highway 21 near Fort Saskatchewan, and the Highway 2 expansion to six lanes near Crossfield and 46 kilometres of highway widening on Highway 58 near High Level. Excluding the ring roads, the Ministry invested around $850 million in provincial highway preservation, rehabilitation, and construction in 2012-13.

Also this year, the Ministry continued negotiations with the Stoney First Nations to upgrade Highway 1A west of Cochrane.

Work proceeded on construction of two major bridge replacement projects this year across the South Saskatchewan River in Medicine Hat and across the North Saskatchewan River near Drayton Valley. As part of its ongoing support of the safety of motorists and the maintenance of these important infrastructure assets, the Ministry manages more than 4,400 bridge structures, encompassing 1,000 major bridges, 600 standard bridges, and 2,800 bridge-sized culverts, which included scheduled visual inspections on bridge structures.

Additionally, the Ministry's Transportation and Civil Engineering Division was restructured into two new divisions: Regional Services Division, responsible for the delivery of all the Ministry's maintenance, construction, and grant programs and is the main contact for municipalities and the public; and, Engineering Services Division, providing strategic guidance and direction in planning, programming, and supports the delivery of highway construction and rehabilitation, and special projects related to roads, bridges, dams, and water management.

Ensuring a modern, efficient, and safe transportation network through innovation

Responding to travellers' evolving needs, an improved and up-to-date traveller information service helps to fuel an effective transportation system. In February 2013, the Ministry launched the 5-1-1 Alberta's Official Road Reports traveller information service. Helping Albertans to better plan their travel, the free service provides access to traveller information through a new mobile-friendly website or by calling 5-1-1 toll-free from anywhere within Alberta, giving availability to the widest range of users. Interactive maps link to current information on highway conditions, weather information, construction updates, incident reports such as detours and closures, ferry crossing times, national and provincial parks information, and border crossing wait times, and more than 100 highway cameras. Advancing Albertans' connectivity even farther, the service is part of a North American-wide system approach to providing weather and traveller information. A $314,000 initial investment is being shared, with the Government of Canada funding half of this cost through the Strategic Highway Infrastructure Program. Providing Albertans with the most reliable road condition information available improves safety and how traffic flows in a broader transportation system-wide approach.

511 refers to the 5-1-1 access code, which is used across North America for weather and traveller information.

Participating in the Results-Based Budgeting review process

The Results-Based Budgeting process is a comprehensive review that will consider all government programs and services to ensure each one aligns with the outcomes that Albertans have identified as priorities. The process will ensure that all government programs and services are being delivered in the most efficient and effective way possible. The Results-Based Budgeting initiative is entering into its second year in 2013-14.

Transportation's grant programs were reviewed in cycle one of the review process. Transportation's highway programs will be reviewed in cycle two, and Transportation's highway safety programs will be reviewed in cycle three.

Measure 1.a – Physical Condition of Provincial Highways

Description

This measure defines the percentage of the paved highway network that is in good, fair, or poor condition. The International Roughness Index is used to measure the roughness of roads and to categorize overall physical condition. The segments in poor and fair condition are those that require attention now or in the future.

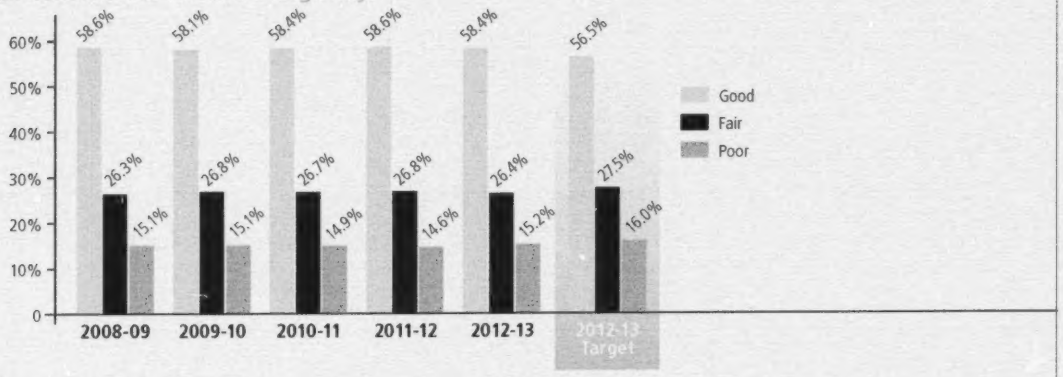
Rationale

The measure is used to assess and sustain the quality of the paved highway network, in support of safe and efficient movement of commuter, business, commercial, and pleasure traffic. The preservation of pavement quality through regular rehabilitation reduces the total life cycle cost of the highway system, improving return on investment for Albertans. (See Appendix A on page 61)

Results

In 2012-13, 58.4 per cent of the paved highways were in good condition compared to the target of 56.5 per cent; 26.4 per cent of the paved highways were in fair condition compared to the target of 27.5 per cent; 15.2 per cent of the paved highways were in poor condition compared to the target of 16 per cent. The government recognizes that the provincial highway system is critical to the economic prosperity and social growth of the Province. Therefore, the government continued to invest in highway repaving and innovative solutions to maintain the percentage of highways in good and fair condition under increased traffic flows.

Physical Condition of Provincial Highways



Managing Provincial Transportation Safety

Goal Two: Alberta has the safest road system in Canada

Eliminating high risk vehicle operation and improving driver behaviors will save lives. The Ministry understands that it is important to promote safe driving that will protect families and improve the overall prosperity of the Province. In 2012-13, safety on Alberta's roads was enhanced by:

- Implementing changes to legislation on impaired driving;
- The continued implementation of the Community Mobilization Strategy;
- The continued implementation of the Aboriginal Traffic Safety Strategy;
- Introduction of a new air brake program; and
- The launch of Alberta's new Class 5 Curriculum.

The enhancements that we have made this year will continue to benefit Albertans and improve the safety on our transportation system to reduce fatalities, major injuries, and collisions.

Making every day safer for Albertans on provincial roads

The Ministry continues to develop and implement the Alberta Traffic Safety Plan. Strategies outlined in the plan contributed to the decrease in traffic fatalities and serious traffic injuries. As part of the Alberta Traffic Safety Plan, the Ministry continues to promote safer drivers, safer vehicles, and safer roads.

Results show that our approach continues saving lives on Alberta's roads, as the number of traffic fatalities for 2011 are the lowest since we began keeping records in 1965.

Contributing to the safety of Alberta's roadways, new impaired driving legislation was implemented with changes that came into effect in two phases beginning in July 2012, with the second phase in September 2012. The new legislation brought into effect tougher penalties and immediate consequences aimed to discourage this behavior and encourage greater personal responsibility when driving. The legislation introduced stronger administrative sanctions for new drivers with blood alcohol content more than .00 and for all drivers with blood alcohol content higher than .05. Tougher consequences were also implemented for repeat offenders and those with blood alcohol content more than .08 who receive Criminal Code offenses. Ultimately, this legislation will result in safer roads for Albertans.

Supporting learning to raise awareness about traffic safety

The Ministry continued to implement a Community Mobilization Strategy, a participatory process involving key stakeholders in local collaborative action around the strategies identified in the Alberta Traffic Safety Plan. As a key component of the Community Mobilization Strategy, fourteen Regional Traffic Safety Consultants acted as key catalysts for coordinating, initiating, and integrating regional and local community support in traffic safety. Seventy-five Traffic Safety Committees are established throughout Alberta and were instrumental in creating a shared commitment for traffic safety in their communities.

In addition, the Ministry provided funding to forty-one projects to encourage community groups and organizations to develop and implement innovative traffic safety projects that were consistent with the objectives of the Alberta Traffic Safety Plan.

Furthermore, the Alberta Aboriginal Traffic Safety Strategy Action Coalition continued to provide their collective wisdom to the implementation of an Aboriginal Traffic Safety Strategy to enable authentic development and implementation of community-based traffic safety strategies, tailored for each Métis and First Nation community.

Advancing partnerships in the delivery of safety programs

The Ministry introduced a new air brake program in May 2012. All drivers who wish to operate vehicles equipped with air brakes must complete both knowledge and practical tests based on newly updated material and delivery methods. The new program is a collaboration between Transportation and industry. A post-implementation evaluation has revealed a high level of satisfaction with the program and confidence that it is producing drivers that have the knowledge to operate vehicles with an air brake system.

Improving driver education

To increase the quality of driver education in the Province, the Ministry launched the new Alberta Class 5 Curriculum in March 2013. In collaboration with external stakeholders, the new curriculum aims to raise the bar for driver education by providing a standard classroom program that ensures all Albertans receive the same education, regardless of the location and driving school they select. The new Alberta Class 5 Curriculum standardizes content, delivery method, classroom, and technological requirements; facilitating the learning and classroom experience for students.

Measure 2.a – Combined fatal and major injury collision rate per 100,000 population

Description

Describes the three-year rolling average number of combined fatal and major injury collisions as a rate per 100,000 population.

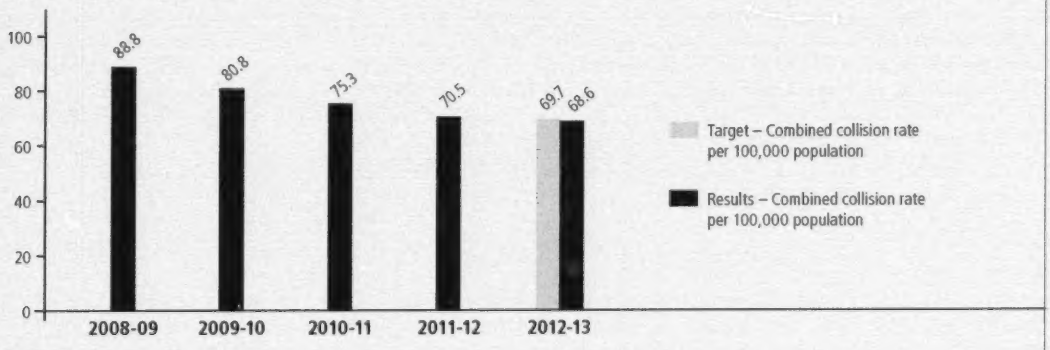
Rationale

To monitor efforts to reduce the number of fatalities and major injuries on Alberta's roads, the Ministry monitors the combined fatal and major injury collision rate per 100,000 population (see Appendix A on page 61).

Results

During the 2012-13 reporting period, there were 2,615 fatal and major injury collisions reported in the Province of Alberta. The combined collision rate per 100,000 population was 68.6, exceeding our target by 1.1.

Combined Fatal and Major Injury Collision Rates



Supporting a Strong Economy and Albertans' Mobility Today and into the Future Through an Integrated Transportation System

Goal Three: Alberta has a well-connected road-rail-air-port transportation system that supports economic opportunities and the quality of life in all communities

A well-connected transportation system is important for Albertan's economic prosperity and social connectivity. In 2012-13 the Ministry enhanced the transportation system by:

- Continued development of a long-term multi-modal Transportation Strategy for Alberta;
- Development of regulations for the Bus Modernization Framework;
- Partnering with local communities to support their transportation infrastructure priorities; and
- Providing GreenTRIP funding to support public transit expansion.

These enhancements support communities as they plan for the future, recognize the varying needs and priorities of different transportation customers, provide Albertans with increased mobility choices, and contribute to a healthy environment.

Helping to guide the planning and development of an effective multi-modal transportation system

The Ministry is continuing with the development of a long-term multi-modal Transportation Strategy for Alberta, advancing a direction for transportation investments, policies, and programs to support the current and long-term needs of Albertans and Alberta businesses. In helping to guide Alberta's multi-modal transportation network, the Strategy will focus on all modes, encompassing road, rail, air, port, and public transportation and human-powered transportation including walking and cycling. The Strategy will:

- Secure long-term prosperity for Albertans by enhancing Alberta's access to new markets and competitiveness in the global economy.
- Provide transportation options for smart growth, liveable communities, and active living.
- Improve transportation safety and security while reducing costly bottlenecks and congestion.
- Develop innovative people and systems that support a multi-modal transportation system.
- Enhance the long-term stewardship and sustainability of the transportation system.

The Ministry continued work this year on the development of regulations for the Bus Modernization Framework that was implemented in October 2011. The framework makes it easier for new companies to enter the bus industry, providing the opportunity for the expansion of new and more competitive bus services for Albertans. As a result, communities are benefiting from increased access to bus services, more flexible schedules, and improved bus quality and rates.

Partnering with communities to develop transportation system opportunities

To help communities meet their local priorities, the Ministry partnered with municipalities to support their core transportation infrastructure needs including roads, bridges, and public mass transit; and water wastewater systems by providing funding through Municipal Infrastructure grant programs.

More than $304 million was provided to Alberta municipalities throughout the Province through the Basic Municipal Transportation Grant Program. This funding enabled the establishment of a broad range of municipal transportation projects, which help to create a well-developed and balanced

regional/provincial transportation system. This development encourages economic growth and promotes quality of life for Alberta's communities.

The Strategic Transportation Infrastructure Program supported key local transportation infrastructure through strategic project-specific grants. Some $114 million was invested for numerous municipal projects such as local resource roads that are important for economic mobility, community airport improvements, local road bridge projects in many rural communities, and other local municipal transportation initiatives, which all enhance transportation opportunities.

In 2012, the Ministry partnered with municipalities to support the construction of water wastewater treatment systems. The province funded more than $124 million through the Water for Life Program that works to achieve this benefit for regional, multi-municipal shared systems. In addition, the Alberta Municipal Water Wastewater Partnership provided a further $43.8 million to support other individual municipal water and wastewater treatment projects.

With the announcement of *Budget 2013*, originally no funding was allocated to the Strategic Transportation Infrastructure Program; however municipalities still have access to Basic Municipal Transportation Grants and the Municipal Sustainability Initiative to help support local transportation priorities. Also, while funding is reduced for the Water for Life Program and the Municipal Water Wastewater Partnership, these programs will continue to support construction projects for 2013-14.

Ministry staff were involved in the Results-Based Budgeting review process this year through participation in working groups, which involved a review of the administration of grants. This review initiative will ensure that government programs and services are being delivered as effectively and efficiently as possible.

Expanding ways and places to travel

Municipal public transit was further enhanced this year with assistance provided by the Green Transit Incentives Program (GreenTRIP).

Announced in 2008, GreenTRIP is a $2 billion capital funding program that advances public transit by giving support to eligible capital projects, including these projects that were active this year:

- $473 million commitment for Calgary mass transit projects, encompassing the newly opened West Light Rail Transit line in December 2012, the Southeast Transit Way (SETWAY) predesign, and the purchase of 50 Light Rail Vehicles.
- $497 million for the continuing construction of the new North Light Rail Transit line connecting NAIT and MacEwan University to the Churchill Station in Edmonton's Light Rail Transit network. The completion of the tunneling component in 2012 marked a major milestone for the project as construction continued on the line, which will commence operation in early 2014.
- $13.6 million for Strathcona County's new transit terminal and park-and-ride lot.
- The acquisition of new transit vehicles in numerous municipalities including Airdrie, Lethbridge, Medicine Hat, Banff/Canmore, and Wood Buffalo.

Having benefits for both our communities and our environment, enhanced development of public transit services is enabling Albertans to access a wider range of travel opportunities.

Funding was committed to expand the intermunicipal transit network from Leduc/Nisku, to the Edmonton International Airport, and into Edmonton. Enhancements to regional transit service include the purchase of buses, the development of four park and ride facilities, and the construction of a transit garage, and bus shelters and bus stops.

With results that contribute to upward transit ridership, decreased roadway congestion, and reduced greenhouse gas emissions, these GreenTRIP projects are examples of how the Province is investing in initiatives that help to enhance Alberta's growth in a responsible, environmentally beneficial way and to enhance the efficiency for every Albertan's travelling experience.

Measure 3.a – Client Satisfaction Survey – Municipal Quality of Service

Description

The measure represents the percentage of municipal partners satisfied with the overall quality of services provided by the Ministry in the administration of grant programs. Respondents rate their satisfaction on a scale of 1 to 6 (1 being very unsatisfied and 6 being very satisfied). Results include all those clients who indicated they were "somewhat satisfied", "satisfied", or "very satisfied". The survey is administered every two years to allow the Ministry sufficient time to develop and implement strategies that address survey findings.

Rationale

The Ministry is committed to service excellence and strives to develop an environment where partners consistently experience positive outcomes when interacting with the Ministry. Results of the survey allow the Ministry to continually improve its services to municipalities (see Appendix A on page 62).

Results

In 2012, municipal client satisfaction was 93 percent, which is a decrease of two percent compared to the 2009 result of 95 percent. Although the level of client satisfaction for all services remains high, the decrease from the previous survey is marginal and may be attributed more to a statistical variance than any other factor.

	Prior Year's Results				Target	Current Actual
	2008-09	2009-10	2010-11	2011-12	2012-13	2012-13
Measure 3.a: Client Satisfaction Survey: Percentage of municipal clients satisfied with overall quality of service.*	N/A	95.0%	N/A	N/A	>95.0%	93.0%

* As stated in the 2011-14 Business Plan, there was no target for 2011-12. Source: 2009-10 Client Satisfaction Survey.

EXPENSE BY FUNCTION

Transportation's 2012-13 expenses can be classified into four of the Government of Alberta's expense functions. Each of these functions identifies the principal purpose for which Ministry expenditures are incurred.

Overall, approximately 95 per cent of the Ministry's expenditures support the function of Transportation, Communications and Utilities.

Ministry of Transportation

Expense by Function for the year ended March 31, 2013
(in thousands of dollars)

	2012-13 Budget	2012-13 Actual	2011-12 Comparable
			(Restated)
Transportation, Communications and Utilities	$ 1,852,284	$ 1,904,906	$ 1,951,840
Protection of Persons and Property	31,468	29,502	28,885
Environment	1,500	1,588	1,881
Debt Servicing Costs	62,377	62,367	40,531
Total Ministry Expenditures	**$ 1,947,629**	**$ 1,998,363**	**$ 2,023,137**

Financial Resources

Ministry of Transportation

Expense by Core Business for the year ended March 31, 2013
(in thousands of dollars)

Original Budget (Estimates)	**$ 1,947,629**
Total Authorized Budget	**$ 1,947,879**
Actual Spending in 2012-13	**$ 1,998,363**

Overall, the total 2012-13 expenditures were higher than the original budget by approximately $51 million. This was primarily due to the transfer of some airport lands and sections of highways to various municipalities in 2012-13.

EXPENSE BY CORE BUSINESS

Securing economic growth and Albertan's connectivity through the development and preservation of the provincial highway network

Approximately $1,002 million was spent including:

- $376 million for provincial highway maintenance and preservation; and
- $415 million on amortization.

Managing provincial transportation safety

Approximately $70 million was spent including:

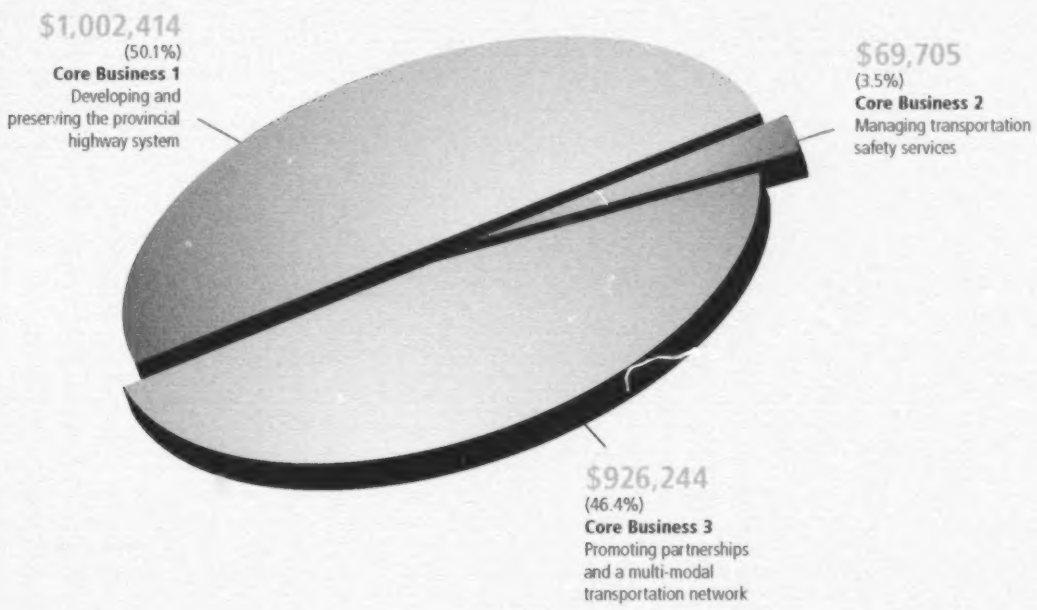
- $33 million for Provincial Highway Systems;
- $27 million for Traffic Safety Services; and
- $10 million for operational support and the Alberta Transportation Safety Board.

Supporting a strong economy and Albertan's mobility today and into the future through an integrated transportation system

Approximately $926 million was spent including:

- $304 million for the Basic Municipal Transportation Grant;
- $199 million for the Building Canada – Gas Tax Fund; and
- $168 million for the Municipal Water Wastewater Program and Water for Life.

Alberta Transportation 2012-13 Ministry Spending by Core Business (Expense)
(in thousands of dollars)



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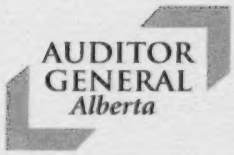
Independent Auditor's Report



To the Members of the Legislative Assembly

Report on the Consolidated Financial Statements
I have audited the accompanying consolidated financial statements of the Ministry of Transportation, which comprise the consolidated statement of financial position as at March 31, 2013, and the consolidated statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
My responsibility is to express an opinion on these consolidated financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion
In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Ministry of Transportation as at March 31, 2013, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, FCA]

Auditor General

June 6, 2013

Edmonton, Alberta

MINISTRY OF TRANSPORTATION
CONSOLIDATED STATEMENT OF OPERATIONS
Year ended March 31, 2013

	2013		2012
	Revised Budget	Actual	Actual
	(Schedule 4)	*(in thousands)*	
Revenues (Schedule 1)			
Government Transfers - Federal Grants (Note 7)	$ 242,233	$ 234,483	$ 417,481
Premiums, Fees and Licences	17,340	29,011	25,476
Other Revenue	4,124	20,756	35,600
	263,697	284,250	478,557
Expenses - Directly Incurred (Note 2(b) and Schedule 10)			
Program (Schedules 3 and 6)			
Ministry Support Services	28,517	27,024	27,364
Provincial Highways	856,745	935,736	781,333
Traffic Safety Services	28,962	27,387	27,021
Transportation Safety Board	1,790	1,666	1,312
Alberta Municipal Infrastructure Program	-	1,028	10,164
Basic Municipal Transportation Grant	333,900	304,115	293,283
Strategic Transportation Infrastructure Program	85,140	114,100	88,264
Municipal Water Wastewater Program/Water for Life	170,000	167,876	253,305
Green Transit Incentives Program (GreenTRIP)	93,100	93,152	199,889
Building Canada - Gas Tax Fund	199,503	199,492	199,214
Building Canada - Communities Component	52,878	35,403	61,415
Infrastructure Stimulus Fund	-	-	6,796
Canada-Alberta Municipal Rural Infrastructure Fund	-	1,870	5,893
Capital for Emergent Projects	-	-	1,121
Transportation and Civil Engineering Program Services	34,717	27,147	26,232
Debt Servicing Costs (Note 8)	62,377	62,367	40,531
	1,947,629	1,998,363	2,023,137
Net Operating Results	$ (1,683,932)	$ (1,714,113)	$ (1,544,580)

The accompanying notes and schedules are part of these financial statements.

MINISTRY OF TRANSPORTATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at March 31, 2013

	2013	2012
	(in thousands)	
ASSETS		
Cash and Cash Equivalents	$ 491	$ 354
Accounts Receivable and Advances (Note 3)	45,460	222,799
Inventories	15,979	16,849
Tangible Assets Held for Transfer (Note 4)	169,047	174,616
Tangible Capital Assets (Note 5)	15,434,643	14,441,569
	$ 15,665,620	$ 14,856,187
LIABILITIES		
Accounts Payable and Accrued Liabilities	$ 675,493	$ 212,335
Holdbacks Payable	43,674	52,447
Deferred Revenue (Note 6)	957,514	22,106
Liabilities under Public Private Partnerships (Note 8)	1,597,222	1,385,026
Liabilities for Future Site Remediation and Reclamation (Note 2(b))	3,977	3,963
	$ 3,277,880	$ 1,675,877
NET ASSETS		
Net Assets at Beginning of Year	$ 13,180,310	$ 12,136,935
Less: Adjustment to opening net assets (Note 2(b))	(817,086)	-
Net Operating Results	(1,714,113)	(1,544,580)
Net Financing Provided from General Revenues	1,738,629	2,587,955
Net Assets at End of Year	12,387,740	13,180,310
	$ 15,665,620	$ 14,856,187

Contractual obligations and contingent liabilities (Notes 9 and 10)

The accompanying notes and schedules are part of these financial statements.

MINISTRY OF TRANSPORTATION
CONSOLIDATED STATEMENT OF CASH FLOWS
Year ended March 31, 2013

	2013	2012
	(in thousands)	
Operating Transactions		
Net Operating Results	$ (1,714,113)	$ (1,544,580)
Non-cash items included in Net Operating Results:		
Amortization of Capital Assets and Consumption of Inventory	465,130	409,653
Gain on Disposal of Tangible Capital Assets	(108)	(202)
Non-Cash Adjustment	499	170
Grants in Kind	60,066	-
Donated and Contributed Tangible Capital Assets	(212)	(6,673)
Valuation Adjustments	(4)	49
	(1,188,742)	(1,141,583)
Decrease in Accounts Receivable	177,332	243,461
Decrease in Advances	4	9
Increase (Decrease) in Accounts Payable and Accrued Liabilities	463,179	(298,757)
(Decrease) in Holdbacks Payable	(8,773)	(4,746)
Increase (Decrease) in Deferred Revenue (Note 6)	91,376	(3,378)
Cash Applied to Operating Transactions	(465,624)	(1,204,994)
Capital Transactions		
Acquisition of Tangible Capital Assets	(1,229,420)	(1,329,696)
Purchase of Inventories	(50,570)	(43,174)
Transfer of Tangible Capital Assets to Other Government Entities (a)	27,666	2,814
Proceeds from Disposal of Tangible Capital Assets	432	635
Cash Applied to Capital and Inventory Transactions	(1,251,892)	(1,369,421)
Financing Transactions		
Repayment of Obligations under Public Private Partnerships	(20,976)	(13,519)
Net Financing Provided from General Revenues	1,738,629	2,587,955
Cash Provided by Financing Transactions	1,717,653	2,574,436
Increase in Cash and Cash Equivalents	137	21
Cash and Cash Equivalents, Beginning of Year	354	333
Cash and Cash Equivalents, End of Year	$ 491	$ 354

(a) Capital asset book value of $25.602 Million, $1.303 Million, $0.300 Million, and $0.461 Million were transferred to the Department of Environment and Sustainable Resource Development, Service Alberta, Solicitor General and Public Security and Infrastructure, respectively.

The accompanying notes and schedules are part of these financial statements.

MINISTRY OF TRANSPORTATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2013

NOTE 1 AUTHORITY AND PURPOSE

The Ministry of Transportation (the Ministry) operates under the authority of the Government Organization Act, Chapter G-10, Revised Statutes of Alberta 2000.

The Ministry consists of the Department of Transportation and the Alberta Transportation Safety Board. The Department of Transportation:

- leads the planning, construction and preservation of our provincial highway network to connect Alberta's communities and supports the province's economic and social growth;
- leads the Alberta Traffic Safety Plan and transportation safety services to reduce collisions and promote safe drivers, vehicles and roads;
- manages provincial and federal grant programs to help municipalities develop and preserve their transportation systems and other priority infrastructure for Albertans;
- designs, constructs and maintains Alberta's water management infrastructure on behalf of Environment and Sustainable Resource Development; and
- promotes Alberta's interests in a safe and sustainable road-rail-air-port transportation system at all levels of government, national and international trade agreements and regulatory harmonization.

The Alberta Transportation Safety Board is the final and administrative authority for making operator licence determinations. The Board handles appeals of licence suspensions and vehicle seizures from the Registrar's Office and hearings under the *Railway (Alberta) Act.* While the Board reports to the Minister of Transportation, decisions are made independently in accordance with the *Traffic Safety Act* and the *Railway (Alberta) Act.*

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

(a) Reporting Entity and Method of Consolidation

The reporting entity is the Ministry of Transportation for which the Minister of Transportation is accountable. The accounts of the Ministry of Transportation are fully consolidated with the Department of Transportation and the Alberta Transportation Safety Board on a line-by-line basis with the accounting policies described below. Revenue and expense transactions, capital, investing and financing transactions, and related asset and liability balances between the consolidated entities have been eliminated. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (continued)

(a) Reporting Entity and Method of Consolidation (continued)

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the President of Treasury Board and Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net Financing provided from (for) General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenue accounting policy

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Accounting Policy Change

Effective April 1, 2012, the Ministry changed its policy for recording capital transfers and restricted capital contributions. Previously, capital transfers and restricted capital contributions were recorded as revenue when the tangible capital assets were acquired or constructed. As a result of this policy change, capital transfers and restricted capital contributions are recognized as deferred revenue upon receipt and transferred to revenue over the useful life of capital assets based on relevant stipulations by transferring government and restrictions by donors. This policy has been adopted retroactively without restatement of comparatives. As a result, the opening net assets/liabilities have decreased/increased by $817,086. In addition, the Ministry transferred $10,910 to the Ministry of Environment and Sustainable Resource Development and the net result of this is zero.

Government Transfers

Transfers from the Government of Alberta, federal and other governments are referred to as government transfers.

Government transfers are recorded as deferred revenue if the terms of the transfer, or the stipulations together with the Ministry's actions and communications as to the use of transfers create a liability.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (continued)

(b) Basis of Financial Reporting (continued)

Capital Contributions and Donations

Restricted capital contributions or donations are recognized as deferred revenue when received and recognized as revenue over the useful life of the acquired or constructed tangible capital assets.

Donations are received from individuals, corporations, and private sector not-for-profit organizations. In kind donations of services and materials are recorded at fair value when such value can reasonably be determined.

Credit or Recovery

Credit or recovery initiatives provide a basis for authorizing spending. Credits or Recoveries are shown in the details of the Government Estimates for a supply vote. If budgeted revenues are not fully realized, spending is reduced by an equivalent amount. If actual Credit or Recovery amounts exceed budget, the Ministry may, with the approval of the Treasury Board Committee, use the excess to fund additional expenses of the program. Schedule 2 discloses information on the Ministry's Credit or Recovery initiatives.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets.
- pension costs, which are the cost of employer contributions for current service of employees during the year.
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (continued)

(b) Basis of Financial Reporting (continued)

- government transfers which are transfers of money to an individual, an organization or another government for which the Ministry does not receive any goods or services directly in return. The major types of transfers and corresponding recognition criteria are as follows:
  - grants are recognized as expenses when authorized, eligibility criteria, if any are met and a reasonable estimate of the amounts can be made;
  - entitlements, which are non-discretionary because the amounts and recipients are prescribed, are recognized when eligibility occurs;
  - transfers under shared cost agreements, which are reimbursements of eligible expenditures, are recognized when the expenditures occur.

Incurred by Others

Services contributed by other entities in support of the Ministry operations are not recognized and are disclosed in Schedule 9 and allocated to programs in Schedule 10.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Ministry are limited to cash and financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Inventories consist of consumables (i.e. salt, sand and gravel) for the delivery of highway transportation programs and are valued at lower of cost or replacement cost.

Assets acquired by right are not included. Tangible capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000. All land is capitalized.

Contributed tangible capital assets are recorded at their fair value at the time of contribution.

Amortization is only charged if the tangible capital asset is in use.

When physical assets (tangible capital assets and inventories) are gifted or sold for a nominal sum, the fair values of these physical assets less any nominal proceeds are recorded as grants in kind.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (continued)

(b) Basis of Financial Reporting (continued)

Disposal of capital assets for nominal sum, often referred to as nominal sum disposal grants, are now reported at the book value of the asset. Previously these disposals had been reported at the fair value of the asset. As total dollar value of nominal sum disposal grants by the government is relatively small, this change in reporting is being implemented prospectively from April 1, 2012, rather than retroactively.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Public Private Partnership (P3)

A Public Private Partnership (P3) is defined as a cooperative venture based on contractual obligations between one or more public/private/not-for-profit partners that meet clearly defined public needs for the provision of goods or services.

The Ministry accounts for P3 projects in accordance with the substance of the underlying agreements. Agreements that transfer substantially all the risks and rewards of ownership of the assets are classified as capital leases and are accounted for as follows:

- The capital asset value and the corresponding liabilities are recorded at the net present value (NPV) of the minimum lease payments discounted using the Government of Alberta's borrowing rate for long term debt.
- During construction, the capital asset (classified as work in progress) and the corresponding liability are recorded based on the estimated percentage complete.
- Amortization on a straight-line basis over the estimated useful life commences when the asset is in service.

Net Assets

Net assets represent the difference between the carrying value of assets held by the Ministry and its liabilities.

Canadian public sector accounting standards require a "net debt" presentation for the statement of financial position in the summary financial statements of governments. Net debt presentation reports the difference between financial assets and liabilities as "net debt" or "net financial assets" as an indicator of the future revenues required to pay for past transactions and events. The Ministry operates within the government reporting entity, and does not finance all its expenditures by independently raising revenues. Accordingly, these financial statements do not report a net debt indicator.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (continued)

(b) Basis of Financial Reporting (continued)

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash and cash equivalents, accounts receivable, advances, accounts payable, accrued liabilities, and holdbacks are estimated to approximate their carrying values because of the short term nature of these instruments.

Liabilities for Future Site Remediation and Reclamation

The recorded amount is based on management's estimates and historical costs to remediate or reclaim sites as well as expected expenditures on future reclamation activity.

The Ministry has compiled a list of all potential sites and reviews the list at least annually. The site remediation and reclamation liability is recorded when the sites are no longer in operation and where remediation is legally enforceable.

NOTE 3 ACCOUNTS RECEIVABLE AND ADVANCES

(in thousands)

Accounts receivable and Advances are $45,449 (2012 - $222,784) and $11 (2012 - $15) respectively. The details of Accounts receivable are as follows:

	2013			2012
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Transfers from Government of Canada (Note 7)	$ 37,345	$ -	$ 37,345	$ 209,378
Contributions	494	-	494	5,406
Rental and Other	110	16	94	1,028
Fees, Permits and Licenses	3,208	19	3,189	2,740
Cost Recoveries	4,327	-	4,327	4,232
	$ 45,484	$ 35	$ 45,449	$ 222,784
2012 Total	$ 222,921	$ 137		

Accounts receivable are unsecured and non-interest bearing.

NOTE 4 TANGIBLE ASSETS HELD FOR TRANSFER

(in thousands)

Dams and water management structures are constructed by the Ministry and transferred to the Ministry of Environment and Sustainable Resource Development upon their completion. The Ministry of Transportation does not amortize these assets.

	2013 Historical Cost			
	Beginning of Year	Additions	Transfers, Adjustments, and Write-downs	End of Year
Dams and water management structures	$ 174,616	$ 20,068	$ (25,637)	$ 169,047
2012 Total	$ 154,160	$ 22,837	$ (2,381)	$ 174,616

MINISTRY OF TRANSPORTATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2013

NOTE 5 TANGIBLE CAPITAL ASSETS

(in thousands)

The cost of assets and the related accumulated amortization for the Ministry are summarized below.

		2013 Historical Cost [1]			
	Estimated Useful Life	Beginning of Year	Additions	Disposals, Adjustments, and Write-downs	End of Year
Land	Indefinite	$ 755,146	$ 39,682	$ (1,611)	$ 793,217
Buildings	40 years	6,199	-	-	6,199
Equipment	5-40 years	7,551	2,447	(1,089)	8,909
Computer hardware and software	3-10 years	118,453	11,003	(477)	128,979
Provincial highways and roads [2]	20-50 years	16,242,801	1,277,268	(39,019)	17,481,050
Bridges	50 years	1,807,194	137,574	(25,382)	1,919,386
Other [3]	3-40 years	42,992	1,708	(45)	44,655
		$ 18,980,336	$ 1,469,682	$ (67,623)	$ 20,382,395
2012 Total		$ 17,499,212	$ 1,482,011	$ (887)	$ 18,980,336

	2013 Accumulated Amortization				Net Book Value	
	Beginning of Year	Amortization Expense	Effect of Disposals	End of Year	March 31, 2013	March 31, 2012
Land	$ -	$ -	$ -	$ -	$ 793,217	$ 755,146
Buildings	4,064	157	-	4,221	1,978	2,135
Equipment	3,645	333	-	3,978	4,931	3,906
Computer hardware and software	87,075	11,135	-	98,210	30,769	31,378
Provincial highways and roads [2]	3,999,893	360,216	(4,212)	4,355,897	13,125,153	12,242,908
Bridges	427,165	40,695	(1,345)	466,515	1,452,871	1,380,029
Other [3]	16,925	2,006	-	18,931	25,724	26,067
	$ 4,538,767	$ 414,542	$ (5,557)	$ 4,947,752	$ 15,434,643	$ 14,441,569
2012 Total	$ 4,167,210	$ 371,557	$ -	$ 4,538,767		

NOTE 5 TANGIBLE CAPITAL ASSETS (continued)

(in thousands)

(1) Included in the cost of land improvements, buildings, equipment, computer hardware and software, provincial highways and roads, and bridges is work in progress amounting to $1,250,474 (2012 - $736,378).

(2) Highways include original pavement and repaving overlays that represent improvements, roadbed, drainage works, and traffic control devices. Includes $1,653,946 historical cost (2012 - $1,420,773) and $71,426 accumulated amortization (2012 - $45,547) in alternatively financed capital assets. The additions to work in progress related to new highway construction under Public Private Partnerships (P3) is $527,756 (2012 - $210,756) See Note 8.

(3) Includes trailers, leasehold improvements, and vehicle inspection stations.

NOTE 6 DEFERRED REVENUE

(in thousands)

Comparatives for 2012 have not been restated. Deferred Revenue on March 31, 2013 is made up as follows:

	2013
Opening Deferred Revenue	$ 22,106
Add: Deferred Revenue received and not utilized in the current year	955,647
Less: Deferred Revenue recognized as revenue in the current year	20,239
Closing Deferred Revenue	$ 957,514

Details of the Deferred Revenue are as follows:

	2013	2012
Operating	$ 4,203	$ 22,106
Unamortized Deferred Capital Government Transfers – Federal Grants (Note 7)	743,074	-
Unamortized Deferred Capital Contributions and Donations	210,237	-
	$ 957,514	$ 22,106

MINISTRY OF TRANSPORTATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2013

NOTE 7 GOVERNMENT TRANSFERS – FEDERAL GRANTS

(in thousands)

The Ministry receives support for infrastructure from the Government of Canada through the following federal programs: Federal Gas Tax Fund, Canada Strategic Infrastructure Fund (CSIF), Public Transit Fund, Provincial Base Fund, Building Canada Fund, Infrastructure Stimulus Fund, and Asia Pacific Gateway and Corridor Transportation Infrastructure Fund. Transfers from the Federal Government are recognized as revenues when authorized by federal legislation or federal/provincial agreements, eligibility criteria, if any, are met, and a reasonable estimate of the amounts can be made. The full cost of provincial projects will be capitalized and amortized over the useful life of the infrastructure. The summary of each federal initiative is as follows:

Federal Gas Tax Fund
In 2005-06, the Federal Government announced the New Deal for Cities and Communities. Under this program, the Federal Government contributed $476,907 in funding to the Ministry over a five year period for Municipal Infrastructure ending in 2009-10. Subsequently, this program was renamed to Federal Gas Tax Fund and was extended for four years ending 2013-14 with $798,012 in additional funding. The total funding under this program will be $1,274,919. The program provides financial assistance for sustainable capital municipal infrastructure in support of cleaner air and water, and the reduction of greenhouse gases.

Canada Strategic Infrastructure Fund
The Canada Strategic Infrastructure Fund is a program whereby the Federal Government contributes funding to large scale infrastructure projects across the country. In 2012-13, there is one project that the Ministry is receiving funding for under CSIF – Highway 63 twinning of approximately 100 kilometers of road to Fort McMurray (up to $150,000 over seven years beginning in 2009-10). Two completed projects that the Ministry had received funding for are Anthony Henday South East Edmonton Ring Road ($75,000 over three years beginning in 2005-06) and Stoney Trail North West Calgary Ring Road ($75,000 over four years beginning in 2005-06).

Provincial Base Fund
The Provincial Base Fund is a program whereby the Federal Government contributes funding to the provinces to repair bridges, local roads and secondary highways from 2009 to 2014.

Building Canada Fund
In 2008-09, the Federal Government announced the Building Canada Fund that is comprised of two programs: the Major Infrastructure Component and the Communities Component. The Major Infrastructure Component focuses on large, strategic projects of national and regional priority. This program requires a matching provincial contribution.

The Communities Component focuses on smaller-scale projects in communities with a population of less than 100,000. This program requires matching contribution from the province and municipalities. In 2009-10, the Federal Government committed to additional projects as a top-up to the Communities Component program.

NOTE 7 GOVERNMENT TRANSFERS – FEDERAL GRANTS (continued)

(in thousands)

Infrastructure Stimulus Fund

In 2009-10, the Federal Government established the Infrastructure Stimulus Fund to focus on rehabilitation work needed to maintain the safety and extend the useful life of existing infrastructure while stimulating economic growth in the short term. Funding was only available for projects that were substantially complete by October 31, 2011. This program required matching contribution from the province and municipalities.

Asia-Pacific Gateway and Corridor Transportation Infrastructure Fund

In 2012-13, The Federal Government established the Asia Pacific Gateway and Corridor Transportation Infrastructure Fund to jointly fund the Highway 2 and 41 Avenue SW Intermodal Access Project up to a maximum of $75,000 ending in 2016-17.

Revenue, Deferred Revenue and Accounts Receivable recorded under Government Transfers – Federal Grants are as follows:

	2013			2012	
	Revenue	Deferred Revenue	Receivable	Revenue	Receivable
Operating Federal Grants:					
Federal Gas Tax Fund	$ 199,492	$ 3,024	$ -	$ 199,214	$ 96,739
Building Canada Fund: Communities Component and Top Up	17,701	-	5,535	30,708	9,310
Other	979	1,179	684	1,953	517
Total Operating Federal Grants	**218,172**	**4,203**	**6,219**	**231,875**	**106,566**
Capital Federal Grants:					
Canada Strategic Infrastructure Fund	4,122	209,245	11,467	10,063	37,193
Provincial Base Fund	6,205	134,750	10,308	71,252	-
Building Canada Fund: Major Infrastructure Component	1,763	195,826	5,829	67,634	49,667
Infrastructure Stimulus Fund	4,221	200,689	958	36,657	15,952
Asia Pacific Gateway and Corridor Transportation Infrastructure Fund	-	2,564	2,564	-	-
Total Capital Federal Grants	**16,311**	**743,074**	**31,126**	**185,606**	**102,812**
Total	**$ 234,483**	**$ 747,277**	**$ 37,345**	**$ 417,481**	**$ 209,378**

NOTE 8 LIABILITIES UNDER PUBLIC PRIVATE PARTNERSHIPS

(in thousands)

The Ministry has entered into contracts for the design, finance, build and maintenance of the following public private partnerships: Anthony Henday - South East, North West and North East Edmonton Ring Road, and Stoney Trail - North East and South East Calgary Ring Road.

The details of the 33 and 34 year contracts for the projects that are under construction are as follows:

Project	Contractor	Date contract entered into	Scheduled completion date	Date capital payments begin[a]
Stoney Trail - South East Calgary Ring Road	CHINOOK ROADS PARTNERSHIP (a consortium of companies)	March 2010	September 2013	October 2013
Anthony Henday – North East Edmonton Ring Road	CAPITAL CITY LINK GENERAL PARTNERSHIP (a consortium of companies)	May 2012	September 2016	October 2016

(a) Capital payments begin on the date specified or upon completion of the project, whichever is later.

The details of the contracts for those projects already operational are as follows:

Project	Contractor	Date contract entered into	Completion date	Date capital payments began
Anthony Henday - South East Edmonton Ring Road	Access Roads Edmonton Ltd. (a consortium of companies)	January 2005	October 2007	November 2007
Stoney Trail - North East Calgary Ring Road	Stoney Trail Group (a consortium of companies)	February 2007	October 2009	November 2009
Anthony Henday - North West Edmonton Ring Road	NORTHWESTCONNECT GENERAL PARTNERSHIP (a consortium of companies)	July 2008	October 2011	November 2011

The calculation of the liabilities under public private partnerships is as follows:

	2013 Total	2012 Total
Liabilities, beginning of year	$ 1,385,026	$ 1,230,065
Additions to liabilities during the year	233,172	168,480
Principal payments	(20,976)	(13,519)
Liabilities, end of year	$ 1,597,222	$ 1,385,026

NOTE 9 CONTRACTUAL OBLIGATIONS

(in thousands)

Contractual obligations are obligations of the Ministry to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2013	2012
Capital Investment		
Construction Contracts and Service Agreements	$ 658,696	$ 1,082,924
Expense		
Maintenance Contracts and Service Agreements	610,117	745,389
Grants	1,401,558	1,191,471
Obligations under public private partnerships		
Operation and maintenance payments	1,913,626	1,473,778
Progress Payments	789,635	207,932
Capital Payments	2,237,525	2,817,787
	$ 7,611,157	$ 7,519,281

Estimated payment requirements for each of the next five years and thereafter as follows:

Obligations Under Operating Leases, Contracts and Programs

	Capital Investment	Expense		
	Construction Contracts and Service Agreements	Maintenance Contracts and Service Agreements	Grants	Total
2013-14	$ 472,520	$ 201,639	$ 881,241	$ 1,555,400
2014-15	136,855	138,343	258,835	534,033
2015-16	23,379	69,415	236,312	329,106
2016-17	12,818	43,125	25,170	81,113
2017-18	6,098	35,148	-	41,246
Thereafter	7,026	122,447	-	129,473
	$ 658,696	$ 610,117	$ 1,401,558	$ 2,670,371

NOTE 9 CONTRACTUAL OBLIGATIONS (continued)

(in thousands)

Obligations under Capital Leases and Public Private Partnerships

	Operations and Maintenance Payments	Progress Payments	Capital Payments
2013-14	$ 36,867	$ 313,714	$ 91,109
2014-15	40,842	235,861	98,865
2015-16	41,027	139,277	98,865
2016-17	46,978	100,783	119,726
2017-18	54,637	-	140,587
Thereafter	1,693,275	-	3,436,951
	$ 1,913,626	$ 789,635	3,986,103
Less amount representing interest			(1,748,578)
Total NPV of capital payments at scheduled completion date			$ 2,237,525

NOTE 10 CONTINGENT LIABILITIES

(in thousands)

Accruals have been made in specific instances where it is likely that losses will be incurred based on a reasonable estimate. As at March 31, 2013 accruals totaling $20,217 (2012 - $17,582) have been recorded as a liability. The total amount claimed for all likely claims is $161,235 (2012 - $81,824). Included in the total likely claims are claims in which the Ministry has been jointly named with other departments. The accrual provided for these claims represents the Ministry's portion of the liability. Included in the total likely claims are claims covered in whole or in part by the Alberta Risk Management Fund. The resulting additional liability, if any, from likely claims in excess of the amounts accrued is not determinable.

The Ministry has been named in eighty-four (2012 – one hundred and nine-teen) claims of which the outcome is not determinable. Of these claims, seventy-three (2012 – ninety) have specified amounts totaling $5,514,104 (2012 – 5,175,543). The remaining eleven (2012 – twenty-nine) claims have no amounts specified. Included in the total claims, forty-eight claims totaling $95,508 (2012 – thirty-six claims totaling $42,926) are covered in whole or in part by the Alberta Risk Management Fund. The resolution of indeterminable claims may result in a liability, if any, that may be significantly lower than the claimed amount.

NOTE 11 TRUST FUNDS UNDER ADMINISTRATION

(in thousands)

The Ministry administers trust funds that are regulated funds consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the funds and administers them for the purpose of various trusts, they are not included in the Ministry's financial statements.

At March 31, 2013 trust funds under the Ministry's administration were as follows:

	2013	2012
Impaired Driving Initiatives Trust Fund	$ 494	$ 467
	$ 494	$ 467

The Impaired Driving Initiatives Trust Fund holds fines from individuals convicted of impaired driving. Trust funds are used for education programs.

NOTE 12 PAYMENTS UNDER AGREEMENT

(in thousands)

The Ministry has entered into agreements to deliver programs and services that are partly funded by the Government of Canada, the Kananaskis Improvement District and private companies. Costs incurred under these agreements are made by the Ministry under authority in Section 25 of the *Financial Administration Act*.

Amounts paid and payable under agreements with program sponsors are as follows:

	2013	2012
Kananaskis Improvement District (program sponsor) Roadway maintenance	$ 73	$ 73
	$ 73	$ 73

NOTE 13 BENEFIT PLANS

(in thousands)

The Ministry participates in the multi-employer pension plans: Management Employee Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense of these pension plans is equivalent to the annual contributions of $8,014 for the year ended March 31, 2013 (2012 - $6,969). Ministries are not responsible for future funding of the plan deficit other than through contribution increases.

At December 31, 2012, the Management Employees Pension Plan reported a deficiency of $303,423 (2011 - deficiency $517,726) and the Public Service Pension Plan reported a deficiency of $1,645,141 (2011 - deficiency $1,790,383). At December 31, 2012, the Supplementary Retirement Plan for Public Service Managers reported a deficiency of $51,870 (2011 - deficiency $53,489).

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2013, the Bargaining Unit Plan reported an actuarial surplus of $51,717 (2012 - surplus $9,136) and the Management, Opted Out and Excluded Plan an actuarial surplus of $18,327 (2012 - surplus $10,454). The expense for these two plans is limited to the employer's annual contribution for the year.

NOTE 14 COMPARATIVE FIGURES

Certain 2012 figures have been reclassified to conform to the 2013 presentation.

NOTE 15 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

MINISTRY OF TRANSPORTATION **Schedule 1**
SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS
CONSOLIDATED REVENUES
Year ended March 31, 2013

	2013		2012
	Revised Budget	Actual	Actual
		(in thousands)	
Government Transfers - Federal Grants			
Building Canada - Gas Tax Fund	$ 199,503	$ 199,492	$ 199,214
Building Canada - Communities/Base Component	32,205	23,906	101,960
Building Canada - Major Infrastructure Component	1,763	1,763	67,634
Infrastructure Stimulus Fund	4,221	4,221	36,657
Other	4,541	5,101	12,016
	242,233	234,483	417,481
Premiums, Fees and Licenses			
Motor Transport Services & Other Premiums	17,340	29,011	25,476
Other Revenue			
Refunds of Expenditure	1,475	4,907	4,726
Tourism Highway Signage Initiative	1,500	617	705
Cost Recoveries	-	6,125	5,328
Contributions	434	2,005	19,193
Donated Tangible Capital Assets	-	1,924	78
Gain from disposals of tangible capial assets	-	108	202
Miscellaneous	715	5,070	5,368
	4,124	20,756	35,600
	$ 263,697	$ 284,250	$ 478,557

MINISTRY OF TRANSPORTATION **Schedule 2**
SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS
CONSOLIDATED CREDIT OR RECOVERY
Year ended March 31, 2013

	2013					
	Authorized	Accounting Policy Adjustment	Revised Authorized	Actual	(Shortfall)/ Excess	
			(in thousands)			
Expense						
Motor Transport Permits and Licences	$ 3,300	$ -	$ 3,300	$ 3,300	$ -	
Canada-Alberta Municipal Rural Infrastructure Fund	250	-	250	355	105	
National Safety Code	420	-	420	420	-	
Bridge Maintenance	20	-	20	20	-	
	$ 3,990	$ -	$ 3,990	$ 4,095	$ 105	(1)
Capital Investment - Voted						
Provincial Highway Systems	$ 8,838	$ 4,831	$ 4,007	$ 2,076	$ (1,931)	
Tourism Highway Signage Initiative	1,500	-	1,500	617	(883)	
	$ 10,338	$ 4,831	$ 5,507	$ 2,693	$ (2,814)	(1)
Capital Investment - Not Voted						
Provincial Highway Systems	$ 21,373	$ 20,995	$ 378	$ 212	$ (166)	

(1) Shortfall is deducted from current year's authorized budget, as disclosed in Schedules 4 and 5 to the financial statements.

Motor Transport Permits and Licences
A portion of the revenue for Motor Transport Permits and Licenses has been allocated to credit or recovery. This revenue partially offsets expenditures made to accommodate Alberta's increasing traffic volumes.

Canada-Alberta Municipal Rural Infrastructure Fund
The Canada-Alberta Municipal Rural Infrastructure Fund is a joint project with the Federal Government and Municipalities. The Federal Government is reimbursing for the administrative costs of this project.

National Safety Code
The Federal Government provides financial support to the provincial and territorial jurisdictions to achieve consistent implementation and maintenance of the Safety Fitness Framework and the NSC Standards. The Federal Government has agreed to pay $420 per year for 6 years beginning in 2009-10 and terminating in 2014-15.

Bridge Maintenance
Canadian Forest Products Ltd. is contributing to the maintenance of the Dunvegan Bridge by providing $200 of funding over 10 years beginning in 2007-2008.

Provincial Highway Systems
The private sector and municipalities are contributing to the capital investment in new roads, bridges, interchanges and High Load Corridor in the province.

Tourism Highway Signage Initiative
The private sector is contributing to the capital investment in new tourism highway-sign structures in the province.

The above credits or recoveries are included in the Statement of Operations.

MINISTRY OF TRANSPORTATION **Schedule 3**
SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS
CONSOLIDATED EXPENSES - DIRECTLY INCURRED DETAILED BY OBJECT
Year ended March 31, 2013

	2013		2012
	Budget	Actual	Actual
	(in thousands)		
Salaries, Wages and Employee Benefits	$ 66,933	$ 63,811	$ 59,205
Supplies and Services	407,619	428,559	393,555
Grants	958,521	978,146	1,119,855
Financial Transactions and Other [1]	62,487	62,717	40,869
Amortization of Tangible Capital Assets and Consumption of Inventory	452,069	465,130	409,653
	$ 1,947,629	$ 1,998,363	$ 2,023,137

[1] Includes debt servicing in the amount of $62,367.

MINISTRY OF TRANSPORTATION
SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS
CONSOLIDATED BUDGET
Year ended March 31, 2013

Schedule 4

	2012-13 Estimates	Adjustment to Conform to Accounting Policy (a)	Revised Estimates	Adjustment (b)	2012-13 Budget	Supplementary Estimate (c)	2012-13 Authorized Budget
				(in thousands)			
Revenues							
Government Transfers - Federal Grants	$ 347,028	$ (104,795)	$ 242,233	$ -	$ 242,233	$ -	$ 242,233
Premiums, Fees and Licences	17,340	-	17,340	-	17,340	-	17,340
Other Revenue	4,124	-	4,124	-	4,124	-	4,124
	368,492	(104,795)	263,697	-	263,697	-	263,697
Expenses - Directly Incurred							
Programs							
Ministry Support Services	28,517	-	28,517	-	28,517	-	28,517
Provincial Highway Systems and Safety	856,745	-	856,745	-	856,745	-	856,745
Traffic Safety Services	28,962	-	28,962	-	28,962	-	28,962
Transportation Safety Board	1,790	-	1,790	-	1,790	-	1,790
Alberta Municipal Infrastructure Program	-	-	-	-	-	-	-
Basic Municipal Transportation Grant	333,900	-	333,900	-	333,900	-	333,900
Strategic Transportation Infrastructure Program	85,140	-	85,140	-	85,140	-	85,140
Municipal Water Wastewater Program/Water for Life	170,000	-	170,000	-	170,000	-	170,000
Green Transit Incentives Program (GreenTRIP)	93,100	-	93,100	-	93,100	-	93,100
Building Canada - Gas Tax Fund	199,503	-	199,503	-	199,503	-	199,503
Building Canada - Communities Component	52,878	-	52,878	-	52,878	-	52,878
Infrastructure Stimulus Fund	-	-	-	-	-	-	-
Canada-Alberta Municipal Rural Infrastructure Fund	-	-	-	250	250	-	250
Capital for Emergent Projects	-	-	-	-	-	-	-
Transportation and Civil Engineering Program Services	34,717	-	34,717	-	34,717	-	34,717
Debt Servicing Costs	62,377	-	62,377	-	62,377	-	62,377
Credit or Recovery Shortfall (Schedule 2)	-	-	-	-	-	-	-
	1,947,629	-	1,947,629	250	1,947,879	-	1,947,879
Net Operating Results	$ (1,579,137)	$ (104,795)	$ (1,683,932)	$ (250)	$ (1,684,182)	$ -	$ (1,684,182)
Capital Investment	$ 1,384,018	$ -	$ 1,384,018	$ 35,304	$ 1,419,322	$ 38,986	$ 1,458,308
Credit or Recovery Shortfall (Schedule 2)	-	-	-	(2,814)	(2,814)	-	(2,814)
	$ 1,384,018	$ -	$ 1,384,018	$ 32,490	$ 1,416,508	$ 38,986	$ 1,455,494
Non-Budgetary Disbursements	$ 20,976	$ -	$ 20,976	$ -	$ 20,976	$ -	$ 20,976

(a) Adjustment in accordance with PS1201.133 to conform fiscal plan numbers to the accounting policy change adopted for government transfers.

(b) Adjustments include encumbrances, credit or recovery increases approved by Treasury Board and Finance and credit or recovery shortfalls. In the event that actual Voted Expense and Capital Investment in the prior year exceeds the authorized spending the difference is known as an encumbrance. The encumbrance reduces the budgeted amount voted in the current year. Treasury Board approval is pursuant to section 24(2) of the Financial Administration Act.

(c) Supplementary Estimates were approved on March 21, 2013.

MINISTRY OF TRANSPORTATION
SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS
CONSOLIDATED LAPSE/ENCUMBRANCE
Year ended March 31, 2013

Schedule 5

	Voted Estimate [1]	Adjustments [2]	Supplementary Estimate [3]	Adjusted Voted Estimate	Actuals [4]	Unexpended (Over Expended)
			(in thousands)			
Program Operating						
1 Ministry Support Services						
1.1 Minister's Office	$ 557	$ -	$ -	$ 557	$ 596	$ (39)
1.2 Deputy Minister's Office	649	-	-	649	718	(69)
1.3 Communications	780	-	-	780	813	(33)
1.4 Strategic Services	26,531	-	-	26,531	24,944	1,587
	28,517	-	-	28,517	27,071	1,446
2 Provincial Highways						
2.1 Provincial Highway Maintenance	317,635	-	-	317,635	309,507	8,128
2.2 Provincial Highway Preservation	50,706	-	-	50,706	66,560	(15,854)
2.3 Provincial Highway Systems	36,335	-	-	36,335	34,179	2,156
	404,676	-	-	404,676	410,246	(5,570)
3 Traffic Safety Services	28,962	-	-	28,962	27,331	1,631
4 Transportation Safety Board	1,790	-	-	1,790	1,661	129
5 Alberta Municipal Infrastructure Program	-	-	-	-	1,028	(1,028)
6 Basic Municipal Transportation Grant	333,900	-	-	333,900	304,115	29,785
7 Strategic Transportation Infrastructure Program	85,140	-	-	85,140	114,100	(28,960)
8 Municipal Water Wastewater Program/Water for Life	170,000	-	-	170,000	167,876	2,124
9 Green Transit Incentives Program (GreenTRIP)	93,100	-	-	93,100	93,152	(52)
10 Federal Public Transit Trust	-	-	-	-	-	-
11 Building Canada-Gas Tax Fund	199,503	-	-	199,503	199,492	11
12 Building Canada-Communities Component	52,878	-	-	52,878	35,403	17,475
13 Building Canada-Major Infrastructure Component	-	-	-	-	-	-
14 Infrastructure Stimulus Fund	-	-	-	-	-	-
15 Canada-Alberta Municipal Rural Infrastructure Fund	-	250	-	250	1,870	(1,620)
16 Capital for Emergent Projects	-	-	-	-	-	-
17 Transportation and Civil Engineering Program Services	34,717	-	-	34,717	27,172	7,545
18 Ring Roads- Debt Servicing	62,377	-	-	62,377	62,367	10
Credit or Recovery Shortfall (Schedule 2)	-	-	-	-	-	-
	1,062,367	250	-	1,062,617	1,035,567	27,050
Total	$ 1,495,560	$ 250	$ -	$ 1,495,810	$ 1,472,884	$ 22,926
Lapse/ (Encumbrance)						$ 22,926

MINISTRY OF TRANSPORTATION
SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS
CONSOLIDATED LAPSE/ENCUMBRANCE
Year ended March 31, 2013

Schedule 5
(continued)

	Voted Estimate [1]	Adjustments [2]	Supplementary Estimate [3]	Adjusted Voted Estimate	Actuals [4]	Unexpended (Over Expended)
Program- Capital Investments						
1 Ministry Support Services						
1.4 Strategic Services	10,009	-	-	10,009	10,408	(399)
2 Provincial Highways						
2.1 Provincial Maintenance	21,200	-	-	21,200	50,570	(29,370)
2.3 Provincial Highway Systems	261,826	3,100	(40,100)	224,826	245,693	(20,867)
16 Capital for Emergent Projects	58,000	2,000	(2,000)	58,000	33,521	24,479
17 Transportation and Civil Engineering Program Services	-	-	-	-	18	(18)
18 Ring Roads	294,950	10,000	99,986	404,936	376,734	28,202
19 Northeast Alberta Transportation Corridor	152,575	15,704	28,600	196,879	263,754	(66,875)
20 North-South Trade Corridor	213,700	4,500	(37,500)	180,700	104,134	76,566
21 Other Economic Corridors	75,900	-	-	75,900	54,440	21,460
22 Provincial Highway Rehabilitation	127,200	-	-	127,200	120,627	6,573
23 Water Management Infrastructure	31,458	-	(10,000)	21,458	20,091	1,367
Credit or Recovery Shortfall (Schedule 2)	-	(2,814)	-	(2,814)	-	(2,814)
Total	$ 1,246,818	$ 32,490	$ 38,986	$ 1,318,294	$ 1,279,990	$ 38,304
Lapse/ (Encumbrance)						$ 38,304
Non-Budgetary Disbursements						
18 Ring Roads-Debt Repayment	$ 20,976	$ -	$ -	$ 20,976	$ 20,976	$ -
Total	$ 20,976	$ -	$ -	$ 20,976	$ 20,976	$ -
Lapse/ (Encumbrance)						$ -

(1) As per "Voted Expense by Program" and "Voted Capital Investment by Program" pages 294-296 of 2012-13 Government Estimates

(2) Adjustments include encumbrances, capital carry forward amounts and credit or recovery increases approved by Treasury Board and credit or recovery shortfalls. An encumbrance is incurred when on a voted basis, the total of actual disbursements in the prior year exceed the total adjusted estimate. All calculated encumbrances from the prior year are reflected as an adjustment to reduce the corresponding Voted Estimate in the current year.

(3) Per the Supplementary Supply Estimates approved on March 21, 2013.

(4) Actuals exclude non-voted amounts such as amortization and valuation adjustments.

MINISTRY OF TRANSPORTATION
SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS
CONSOLIDATED COMPARISON OF ACTUAL AND BUDGET
Year ended March 31, 2013

Schedule 6

		Estimate [1]	Actual Voted	Actual Not Voted [2]	Actual total	Difference
			(in thousands)			
EXPENSES						
Expense by program						
1	Ministry Support Services	$ 28,517	$ 27,071	$ (47)	$ 27,024	$ 1,493
2	Provincial Highways	856,745	410,246	525,490	935,736	(78,991)
3	Traffic Safety Services	28,962	27,331	56	27,387	1,575
4	Transportation Safety Board	1,790	1,661	5	1,666	124
5	Alberta Municipal Infrastructure Program	-	1,028	-	1,028	(1,028)
6	Basic Municipal Transportation Grant	333,900	304,115	-	304,115	29,785
7	Strategic Transportation Infrastructure Program	85,140	114,100	-	114,100	(28,960)
8	Municipal Water Wastewater Program/Water for Life	170,000	167,876	-	167,876	2,124
9	Green Transit Incentives Program (GreenTRIP)	93,100	93,152	-	93,152	(52)
10	Federal Public Transit Trust	-	-	-	-	-
11	Building Canada-Gas Tax Fund	199,503	199,492	-	199,492	11
12	Building Canada-Communities Component	52,878	35,403	-	35,403	17,475
13	Building Canada-Major Infrastructure Component	-	-	-	-	-
14	Infrastructure Stimulus Fund	-	-	-	-	-
15	Canada-Alberta Municipal Rural Infrastructure Fund	-	1,870	-	1,870	(1,870)
16	Capital for Emergent Projects	-	-	-	-	-
17	Transportation and Civil Engineering Program Services	34,717	27,172	(25)	27,147	7,570
18	Ring Roads- Debt Servicing	62,377	62,367	-	62,367	10
		$ 1,947,629	$ 1,472,884	$ 525,479	$ 1,998,363	$ (50,734)
Expense by fiscal plan category						
Operating Expense		$ 562,039	$ 533,734	$ 50,868	$ 584,602	$ (22,563)
Capital Grants and Support		958,521	939,150	60,067	999,217	(40,696)
Amortization of Tangible Capital Assets		427,069	-	414,544	414,544	12,525
		$ 1,947,629	$ 1,472,884	$ 525,479	$ 1,998,363	$ (50,734)
Capital Investment by program						
1	Ministry Support Services	$ 10,009	$ 10,408	$ -	$ 10,408	$ (399)
2	Provincial Highways	283,026	296,263	21,207	317,470	(34,444)
16	Capital for Emergent Projects	58,000	33,521	-	33,521	24,479
17	Transportation and Civil Engineering Program Services	-	18	-	18	(18)
18	Ring Roads	432,150	376,734	233,172	609,906	(177,756)
19	Northeast Alberta Transportation Corridor	152,575	263,754	-	263,754	(111,179)
20	North-South Trade Corridor	213,700	104,134	5,951	110,085	103,615
21	Other Economic Corridors	75,900	54,440	-	54,440	21,460
22	Provincial Highway Rehabilitation	127,200	120,627	-	120,627	6,573
23	Water Management Infrastructure	31,458	20,091	-	20,091	11,367
		$ 1,384,018	$ 1,279,990	$ 260,330	$ 1,540,320	$ (156,302)

(1) As per page 300 of 2012-13 Government Estimates

(2) These amounts are not included in any supply vote either because no cash disbursement is required or because the Legislative Assembly has already provided funding authority pursuant to a statute other than an appropriation act.

MINISTRY OF TRANSPORTATION
SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS
CONSOLIDATED LOTTERY FUND ESTIMATES
Year ended March 31, 2013

Schedule 7

	2012-13 Lottery Fund Estimates	2012-13 Actual	Unexpended (Over Expended)
		(In thousands)	
Provincial Highway Preservation	$ 40,000	$ 40,000	$ -
Basic Municipal Transportation Grant	79,194	79,194	-
Strategic Transportation Infrastructure Program	32,060	32,060	-
Municipal Water Wastewater Program/Water for Life	84,568	84,568	-
	$ 235,822	$ 235,822	$ -

The revenue of the Lottery Fund is transferred to the Department of Finance on behalf of the General Revenue Fund. Having been transferred to the General Revenue Fund, these monies then become part of the Department's supply vote. This table shows details of the initiatives within the Ministry that are funded by the Lottery Fund and compares it to the actual results.

MINISTRY OF TRANSPORTATION **Schedule 8**
SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS
CONSOLIDATED SALARY AND BENEFITS DISCLOSURE
As at March 31, 2013

	2013				2012
	Base Salary[1]	Other Cash Benefits[2]	Other Non-cash Benefits[3]	Total	Total
Deputy Minister [4] [5]	$ 253,618	$ 2,452	$ 88,842	$ 344,912	$ 385,089
Chair, Transportation Safety Board	170,864	-	6,967	177,831	186,250
Assistant Deputy Ministers					
Traffic Safety Services	192,152	22,171	55,714	270,037	258,673
Engineering Services Division [5]	180,120	-	49,372	229,492	215,726
Regional Services Division [6]	184,762	-	56,173	240,935	-
Policy and Corporate Services [5] [7]	185,302	-	52,506	237,808	237,979
Executive Directors					
Finance [8]	108,903	-	29,220	138,123	193,331
Human Resources [7]	149,338	-	40,650	189,988	175,864

Prepared in accordance with Treasury Board Directive 12/98 as amended.

(1) Base salary includes pensionable base pay.
(2) Other cash benefits include vacation payouts and car allowance (acting individual). There were no bonuses paid in 2013.
(3) Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plans, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition fees.
(4) Automobile provided, no dollar amount included in other non-cash benefits.
(5) The position was occupied by two individuals at different times during the year.
(6) Position created on April 16, 2012.
(7) The incumbent's services are shared with the Ministry of Infrastructure which contributes its own share of the cost of salary and benefits. Full salary and benefits are disclosed in this Schedule.
(8) The position has been vacated December 10, 2012.

MINISTRY OF TRANSPORTATION **Schedule 9**
SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS
CONSOLIDATED RELATED PARTY TRANSACTIONS
Year ended March 31, 2013
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements. Related parties also include management in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for premiums, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Ministry had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Other Entities	
	2013	2012
Expenses - Directly Incurred		
Business and Technology Services	$ 2,735	$ 2,849
SUCH[1] Sector Entities	809	514
Parking	5	5
Insurance	454	449
Air Maps and Photos	9	14
	$ 4,012	$ 3,831
Net Tangible Capital Assets Transferred	$ 27,666	$ 2,814

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These expense amounts are not recorded in the financial statements but are disclosed in Schedule 10.

	Other Entities	
	2013	2012
Revenue		
Road/Bridge Maintenance	$ 5,909	$ 7,107
Expenses - Incurred by Others (Schedule 10)		
Accommodation	$ 8,919	$ 8,112
Air Transportation/Executive Vehicles	58	134
Business Services	5,661	5,099
Legal Services	1,529	1,105
	$ 16,167	$ 14,450

[1] SUCH - Schools, Universities, Colleges and Hospitals

MINISTRY OF TRANSPORTATION
SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS
CONSOLIDATED ALLOCATED COSTS
Year ended March 31, 2013
(in thousands)

Schedule 10

	2013					2012
		Expenses - Incurred by Others				
Program	Expenses (1)	Accommodation Costs (2)	Business Services (3)	Legal Services (4)	Total Expenses	Total Expenses
Ministry Support Services	$ 27,024	$ 1,449	$ 5,719	$ 305	$ 34,497	$ 34,092
Provincial Highways	935,736	-	-	-	935,736	783,979
Traffic Safety Services	27,387	2,099	-	412	29,898	27,112
Transportation Safety Board	1,666	128	-	9	1,803	1,316
Alberta Municipal Transportation Grant	1,028	-	-	-	1,028	10,164
Basic Municipal Transportation Grant	304,115	-	-	-	304,115	293,283
Strategic Transportation Infrastructure Program	114,100	-	-	-	114,100	88,264
Municipal Water Wastewater Program/Water for Life	167,876	-	-	-	167,876	253,305
Green Transit Incentives Program (GreenTRIP)	93,152	-	-	-	93,152	199,889
Building Canada - Gas Tax Fund	199,492	-	-	-	199,492	199,214
Building Canada - Communities Component	35,403	-	-	-	35,403	61,415
Infrastructure Stimulus Fund	-	-	-	-	-	6,796
Canada-Alberta Municipal Rural Infrastructure Fund	1,870	-	-	-	1,870	5,893
Capital for Emergent Projects	-	-	-	-	-	1,121
Transportation and Civil Engineering Program Services	27,147	5,243	-	803	33,193	31,213
Debt Servicing Costs	62,367	-	-	-	62,367	40,531
	$ 1,998,363	$ 8,919	$ 5,719	$ 1,529	$ 2,014,530	$ 2,037,587

(1) Expenses - Directly Incurred as per Statement of Operations.
(2) Cost shown for Accommodation (includes grants in lieu of taxes) on Schedule 9, allocated by number of employees in program.
(3) Costs shown for Business Services include charges for financial and information technology support, internal audit and vehicles and air transportation.
(4) Cost shown for Legal Services on Schedule 9, allocated by estimated costs incurred by each program.

OTHER INFORMATION

APPENDIX A – PERFORMANCE MEASURES METHODOLOGY

Measure 1.a – Physical Condition of Provincial Highways

An external consultant is contracted to conduct the collection of data to ensure the objectivity of results.

The identification of highways as *good, fair, or poor* relies on criteria established as a result of the University of Calgary's comprehensive research study on road conditions and other performance measures conducted for the Ministry in 2002.

The study's recommendations resulted in the establishment of condition threshold values. Condition threshold values are defined as the boundary between categories of *good-fair* and *fair-poor*, and are set using a proactive life cycle analysis approach. The values are categorized by highway classification and are compiled into one-kilometre segments.

Alberta Transportation Standards

Condition	110km/h Highway Group	Other Highway Group
Good	Average IRI <1.5m/km	Average IRI <1.5m/km
Fair	≥1.5m/km Average IRI <1.9m/km	≥1.5m/km Average IRI <2.1m/km
Poor	≥1.9m/km Average IRI	≥2.1m/km Average IRI

After existing good, fair, poor segments are identified, anticipated work activities and pavement deterioration rates are used to determine future performance targets.

The IRI rating for all highways is obtained through data collected annually by an external consultant for the Ministry.

By using laser-based equipment, the consultant records and determines the average IRI value over every 50-metre segment of the Alberta highway network. This detailed data is further averaged over one-kilometre sections to provide an assessment of condition over practical lengths.

Measure 2.a – Combined fatal and major injury collision rate per 100,000 population

Data for this measure was taken from the Ministry's Alberta Collision Information System (ACIS). The results for the measure are based on a calendar year. Collisions include those that result in the death of a person within 30 days of the collision or in a major injury (persons with injuries or complaint of pain that went to the hospital and were subsequently admitted even if for observation only) to at least one person involved in the collision.

Data is compiled from collision reports completed by the attending law enforcement officer where the collision resulted in death or major injury to at least one person. The final collision rate reported is based on a rolling three-year average. The following calculation is used to determine the individual collision rate for each year: *Number of Combined Fatal and Major Injury Collisions / Population * 100,000.* Each year rates are then averaged to represent a rolling three-year average using the following calculation:

(Year One Rate per 100,000 Population + Year Two Rate per 100,000 Population + Year Three Rate per 100,000 Population)

3

Measure 3.a *– Client Satisfaction Survey – Municipal Quality of Service*

Transportation's aim is to conduct the client satisfaction survey every second year to measure the satisfaction of municipal partners with the Ministry's service for municipal grant programs.

An external consultant is contracted to conduct the survey to ensure the objectivity of results. Municipal clients are defined as organizations that have interacted with Ministry staff regarding municipal grant programs during the survey calendar year, primarily from municipalities and towns.

Respondents are asked to rate on a scale of 1 to 6 (1 being very unsatisfied to 6 being very satisfied) their satisfaction with Municipal Grant Programs on the following eight key service areas:

- Clarity of written materials
- Ease of access to information
- Ease of access to services
- Consistency of services
- Timeliness of service delivery
- Proficiency of staff
- Courtesy of staff
- Overall quality of services

Results reported include all those clients who indicated they were '4 – somewhat satisfied,' '5 – satisfied,' and '6 – very satisfied' with the service provided.

In 2013, there were a total of 206 surveys completed and returned for a response rate of 59.3 per cent.

Data analysis included cross-tabulation of quantitative data, whereby the frequency and percentage distribution of the results for each question were broken down based on client location and client sector. It also included coding of open-ended questions.

On average, the results are accurate within plus or minus 4.4 per cent, 19 times out of 20.

For a PDF of this annual report, visit the Government of Alberta website: www.transportation.alberta.ca/Content/Publications/production/AnnualReport2012-13.pdf

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